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AUG 23 2001

August 23, 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ex Parte Submission

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
Room TW-B-204
445 12th Street, S.W.
Washington, D.C. 20554

Re: Joint Application by SBC Communications Inc., et al. for Provision of In-Region,
InterLATA Services in Arkansas and Missouri, CC Docket No. 01-194

Dear Ms. Salas:

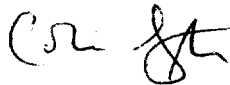
On August 20, 2001, Southwestern Bell filed a Joint Application for Provision of In-Region, InterLATA Services in Arkansas and Missouri. Among other things, that filing included two CD-ROM sets containing copies of the entire Joint Application in electronic form, redacted for public inspection. Because the first CD in each of those two sets – which contained the brief and affidavits in support of the Joint Application – did not include the attachments to two affidavits, Southwestern Bell submitted a replacement disc on Tuesday, August 21, 2001. Southwestern Bell has now learned that, due to an inadvertent error in production, both the original first CDs filed on August 20 and the replacement CDs filed on August 21 were missing an electronic copy of the Arkansas affidavit of David R. Smith. (The file that is labeled as Mr. Smith's Arkansas affidavit on those discs is in fact a copy of his Attachment A.) Accordingly, enclosed please find two copies of a second replacement CD that contains the brief and all of the affidavits in support of the Joint Application, including their attachments, redacted for public inspection. We are also submitting 20

No. of Copies rec'd 072
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copies of the second replacement CD to the Common Carrier Bureau, and seven to the Department of Justice. In addition, with this ex parte submission, Southwestern Bell is correcting the weighted averages for certain Arkansas UNES¹ reflected in Attachment D to the Missouri Affidavit of Thomas F. Hughes. These minor corrections also affect the first line of Table 1 of the Missouri affidavit of Thomas Makarewicz. The attached pages reflect these corrections, as do the enclosed replacement CDs.

I am enclosing three copies of this letter and its attachments. Please date-stamp one copy and return it to the individual delivering this package. If you have any questions, please contact me at (202) 326-7968. Thank you for your assistance in this matter.

Yours truly,

A handwritten signature in black ink, appearing to read 'CS Stretch', written over a horizontal line.

Colin S. Stretch

Encs.

cc (w/ encl.): Scott Bergmann
Gary Remondino
Layla Serafi
Dana Joyce
Dave Slaton
ITS

¹ The Arkansas weighted averages affected are for 2-wire analog loop, local switching, common transport termination, common transport facility, blended transport, and UNE-P.

UNE-PLATFORM RATE COMPARISON

	RECURRING RATES					NONRECURRING INITIAL RATES				
	MISSOURI	KANSAS	ARKANSAS	OKLAHOMA	TEXAS	MISSOURI	KANSAS	ARKANSAS	OKLAHOMA	TEXAS
2 WIRE ANALOG LOOP										
URBAN	\$12.71	\$11.86	\$11.86	\$12.14	\$12.14	\$19.55	\$23.06	\$23.06	\$24.38	\$15.03
SUBURBAN	\$18.64	\$13.64	\$13.64	\$13.65	\$13.65	\$19.55	\$23.06	\$23.06	\$24.38	\$15.03
RURAL	\$19.74	\$23.34	\$23.34	\$26.25	\$18.98	\$19.55	\$23.06	\$23.06	\$24.38	\$15.03
URBAN - Springfield - MO Zone 4	\$16.41					\$19.55				
WEIGHTED AVERAGE	\$15.18	\$13.30	\$13.09	\$15.71	\$14.11					
ANALOG SWITCH PORT **										
					TEXAS LEVEL					
					4	\$1.58				\$1.27
MISSOURI/KANSAS/ARKANSAS/OKLAHOMA URBAN	\$1.74	\$1.61	\$1.61	\$2.18	3	\$2.47	\$1.27	N/A	N/A	\$1.20
MISSOURI/KANSAS/ARKANSAS/OKLAHOMA SUBURBAN	\$1.97	\$1.61	\$1.61	\$2.21	2	\$3.05	\$1.27	N/A	N/A	\$1.20
MISSOURI/KANSAS/ARKANSAS/OKLAHOMA RURAL	\$2.47	\$1.61	\$1.61	\$2.58	1	\$4.21	\$1.27	N/A	N/A	\$1.20
URBAN - Springfield - MO Zone 4	\$2.25						\$1.27			
WEIGHTED AVERAGE	\$1.89	\$1.61	\$1.61	\$2.28		\$2.22				
ANALOG LOOP TO SWITCH PORT CROSS CONNECT										
URBAN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.17	\$20.03	\$20.03	\$30.25	\$4.17
SUBURBAN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.17	\$20.03	\$20.03	\$30.25	\$4.17
RURAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.17	\$20.03	\$20.03	\$30.25	\$4.17
WEIGHTED AVERAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00					
LOCAL SWITCHING, PER MOU **										
					TEXAS LEVEL					
					4	\$0.0014244				None
MISSOURI/KANSAS/ARKANSAS/OKLAHOMA URBAN	\$0.001620	\$0.00131	\$0.00131	\$0.002041	3	\$0.0012691	None	None	None	None
MISSOURI/KANSAS/ARKANSAS/OKLAHOMA SUBURBAN	\$0.001949	\$0.00169	\$0.00169	\$0.001887	2	\$0.0011973	None	None	None	None
MISSOURI/KANSAS/ARKANSAS/OKLAHOMA RURAL	\$0.002807	\$0.00253	\$0.00253	\$0.002850	1	\$0.0021160	None	None	None	None
URBAN - Springfield - MO Zone 4	\$0.002391						None			
WEIGHTED AVERAGE	\$0.001851	\$0.00149	\$0.00149	\$0.002217		\$0.0014384				
COMMON TRANSPORT										
TERMINATION, PER MOU										
URBAN	\$0.000155	\$0.0001570	\$0.0001570	\$0.000240	\$0.000123	None	None	None	None	None
SUBURBAN	\$0.000232	\$0.0001710	\$0.0001710	\$0.000212	\$0.000135	None	None	None	None	None
RURAL	\$0.000246	\$0.0001960	\$0.0001960	\$0.000374	\$0.000144	None	None	None	None	None
URBAN - Springfield - MO Zone 4	\$0.000132					None				
WEIGHTED AVERAGE	\$0.000182	\$0.0001629	\$0.0001633	\$0.000269	\$0.000132					
COMMON TRANSPORT										
FACILITY, PER MOU, PER MILE										
URBAN	\$0.0000016	\$0.0000010	\$0.0000010	\$0.000007	\$0.0000011	None	None	None	None	None
SUBURBAN	\$0.0000057	\$0.0000030	\$0.0000030	\$0.000036	\$0.0000032	None	None	None	None	None
RURAL	\$0.0000117	\$0.0000060	\$0.0000060	\$0.000020	\$0.0000101	None	None	None	None	None
URBAN - Springfield - MO Zone 4	\$0.0000008					None				
WEIGHTED AVERAGE	\$0.0000035	\$0.0000018	\$0.0000019	\$0.000014	\$0.0000037					
BLENDED TRANSPORT, PER MOU										
URBAN	\$0.000535	\$0.000401	\$0.000401	\$0.000546	\$0.000399	None	None	None	None	None
SUBURBAN	\$0.000641	\$0.000429	\$0.000429	\$0.000682	\$0.000399	None	None	None	None	None
RURAL	\$0.000697	\$0.000475	\$0.000475	\$0.000729	\$0.000399	None	None	None	None	None
URBAN - Springfield - MO Zone 4	\$0.000507					None				
WEIGHTED AVERAGE	\$0.000575	\$0.000412	\$0.000413	\$0.000607	\$0.000399					
TANDEM SWITCHING, PER MOU										
	\$0.001231	\$0.000789	\$0.000789	\$0.000794	\$0.000794	None	None	None	None	None
SERVICE ORDER										
ELECTRONIC						\$5.00	\$2.35	\$2.35	\$3.33	\$2.58
MANUAL							\$11.25	\$11.25	\$23.38	
TOTAL*										
Missouri/Kansas/Arkansas/Oklahoma Urban	\$17.65	\$16.04	\$16.04	\$18.25		\$29.99	\$45.44	\$45.44	\$59.16	
WEIGHTED AVERAGE	\$20.70	\$17.79	\$17.59	\$22.27	\$19.12					
Texas Suburban **										
Level 4 (Switches serving over 40,001 working lines)					\$17.99					\$23.05
Level 3 (Switches serving 20,001-40,000 working lines)					\$18.62					\$23.05
Level 2 (Switches serving 10,001-20,000 working lines)					\$19.08					\$23.05
Level 1 (Switches serving less than 10,000 working lines)					\$21.80					\$23.05
*Assume UNE-P configuration with 1400 minutes of local calling and 300 minutes of access calls (direct-trunked).										
**Texas levels do not correspond to Missouri/Arkansas/Kansas/Oklahoma geographic areas for local switching ports and MOU.										
This comparison includes the primary UNE-P rate elements. It excludes such elements as: SS7 signaling etc.										

state level where, after extensive MPSC review and involvement, the MPSC set TELRIC-compliant rates.

Analysis of FCC HCPM / USF Model Loop Costs and Comparison with UNE Rates

7. Typically, other parties overlook the FCC's guidance and use the USF Model to compare its cost results with UNE rates. Such comparisons suggest (erroneously) that recurring UNE loop rates in Missouri, for example, are higher than allegedly relevant cost relationships from the FCC's USF Model for Arkansas and Kansas would allow. The desired but incorrect conclusion would be to dismiss Missouri UNE loop rates as violating TELRIC principles, at least when compared to Arkansas and Kansas. Consider the following simplistic example.

<p>TABLE 1 Relative Recurring UNE Loop Rates vs. USF Model Loop Costs</p>			
State	Loop Rates ⁵	% Difference: MO Loop Rate vs. Other States	% Difference: MO USF Model Cost vs. Other States
Arkansas	\$13.09	16%	-15%
Kansas	\$13.30	14%	0%
Oklahoma	\$15.71	-3%	-6%
Texas	\$14.11	8%	14%
Missouri⁶	\$15.18	-	-

⁵ Statewide average loop rates reflect zone classifications/weightings as of year end 2000, with the exception of Arkansas whose weightings reflect zone regroupings offered by SWBT in its concurrently filed Arkansas 271 application.

⁶ The Missouri statewide average rate reflects additional loop rate discounts beyond the M2A, as discussed in Mr. Thomas Hughes' affidavit.

DOCUMENT OFF-LINE

This page has been substituted for one of the following:

- o An oversize page or document (such as a map) which was too large to be scanned into the ECFS system.

- o Microfilm, microform, certain photographs or videotape.

- o Other materials which, for one reason or another, could not be scanned into the ECFS system.

The actual document, page(s) or materials may be reviewed by contacting an Information Technician at the FCC Reference Information Center, at 445 12th Street, SW, Washington, DC, Room CY-A257. Please note the applicable docket or rulemaking number, document type and any other relevant information about the document in order to ensure speedy retrieval by the Information Technician.

2 CD ROM